

Wilson and Steel Caucus Support President's Tariff on Chinese Tire Imports

WASHINGTON, DC – Congressman Charlie Wilson (OH-6) joined members of the Congressional Steel Caucus last week urging President Barack Obama to enforce America's trade laws. After findings by the U.S. International Trade Commission showed China violating a provision in the Trade Act (Section 421), President Obama endorsed placing tariffs on Chinese tire imports.

"These tariffs will help provide relief for our steel manufacturers as they face an unprecedented surge in Chinese tire imports. These huge import increases are disrupting our markets and contributing to job losses at a time when our economy is in peril" Wilson said. "There has already been pushback from the Chinese, but I stand behind the President's decision to honor the rule of the law. We cannot continue to allow any more predatory trade practices."

The letter to President Barack Obama follows:

September 10, 2009

President Barack Obama
The White House
Washington, DC 20500

Dear President Obama:

We write today as members of the Executive Committee of the Congressional Steel Caucus to urge you to accept the recommendation of the U.S. International Trade Commission (ITC) in the case submitted by the United Steelworkers (USW) under Section 421 of the Trade Act of 1974 regarding passenger vehicle and light truck tire imports from China.

The Congressional Steel Caucus is well acquainted with the harmful effects of Chinese trading practices, such as dumping, currency misalignment, and subsidization. The Caucus also has been involved with several Section 421 cases in the recent past involving steel, including investigations of circular welded non-alloy steel pipe, ductile iron waterworks fittings, and steel wire garment hangers.

We strongly believe in the legitimacy and importance of the Section 421 safeguard, and were pleased that the ITC voted in the affirmative for the steel cases and that relief was

recommended for domestic producers. Declining to implement the ITC recommendations in the past has resulted in devastating losses to the steel manufacturing communities we represent.

In the July 2009 ITC investigation of certain passenger vehicle and light truck tires from China, the agency concluded that the import surge had injured domestic workers, and recommended tariffs over a three-year period to give the industry a chance to recover and prevent additional job losses.

As this is your first opportunity to implement the recommendation of the ITC in a Section 421 case, we ask that you set a precedent for the validity and use of the Section 421 safeguard, and demonstrate our country's ability to enforce our trade laws and prevent unfair trading practices.